

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK**

GENE NIKSICH, Individually and on
Behalf of All Others Similarly Situated,

Plaintiff,

v.

ICONIX BRAND GROUP, INC., NEIL
COLE, WARREN CLAMEN, and JEFF
LUPINACCI,

Defendants.

Case No.:

**CLASS ACTION COMPLAINT FOR
VIOLATIONS OF THE FEDERAL
SECURITIES LAWS**

JURY TRIAL DEMANDED

Plaintiff Gene Niksich (“Plaintiff”), by and through his attorneys, alleges the following upon information and belief, except as to those allegations concerning Plaintiff, which are alleged upon personal knowledge. Plaintiff’s information and belief is based upon, among other things, his counsel’s investigation, which includes without limitation: (a) review and analysis of regulatory filings made by ICONIX BRAND GROUP, INC. (“Iconix” or the “Company”), with the United States (“U.S.”) Securities and Exchange Commission (“SEC”); (b) review and analysis of press releases and media reports issued by and disseminated by Iconix; and (c) review of other publicly available information concerning Iconix.

NATURE OF THE ACTION AND OVERVIEW

1. This is a class action on behalf of purchasers of Iconix securities between February 20, 2013 and April 17, 2015, inclusive (the “Class Period”), seeking to pursue remedies under the Securities Exchange Act of 1934 (the “Exchange Act”).

2. Iconix is a brand management company and owner of a diversified portfolio of global consumer brands across women’s, men’s, entertainment and home. The Company’s purported business strategy is to maximize the value of its brands primarily through strategic licenses and joint venture partnerships around the world, as well as to grow the portfolio of brands through strategic acquisitions.

3. The Company operates through an “asset-light” brand-management system, which purportedly generates revenue streams through the licensing of intellectual property rights, without huge outlays of cash for inventory or property, plant and equipment.

4. The Company typically purchases the licensing rights (“Licensing Rights”) to an existing consumer fashion brand for a fixed acquisition cost (“Acquisition Cost”), and licenses the right to use the brand in clothing, shoes, household items, media, etc. through a series of

agreements with various partners and joint ventures in exchange for licensing fees (“Licensing Fees”).

5. Unbeknownst to investors, the Company’s accounting for its gains on Licensing Fees failed to adequately account for the Acquisition Cost associated with the Company’s acquisition of the underlying intellectual property Licensing Rights.

6. In addition, the Company failed to properly account for the key metrics of free-cash flow and organic growth that guide investors on the success of comparable companies in the “asset-light” brand management category. Indeed, Chairman and Chief Executive Officer (“CEO”), Defendant Neil Cole (“Cole”), expressed to investors that free-cash flow was an integral part of the Company’s business model. Cole touted to investors throughout the Class Period that, Iconix “continue(d) to demonstrate the power of our business model with our diversified revenue stream and strong free cash flow.”

7. On March 30, 2015 after the close of the trading session, the Company announced in a press release that its Chief Financial Officer (“CFO”), Jeff Lupinacci (“Lupinacci”), had resigned effective March 30, 2015. Therein, the Company stated in relevant part:

On March 24, 2015, Jeff Lupinacci, the Chief Financial Officer of Iconix Brand Group, Inc. (the “Company”) notified the Company of his intention to resign, with 60 days’ notice, to pursue another business opportunity. The Company has determined to make such resignation effective March 30, 2015. The Company has commenced a search for Mr. Lupinacci’s replacement and anticipates filling the position in the near term. Mr. David Blumberg, the Company’s current Executive Vice President – Head of Strategic Development, will assume Mr. Lupinacci’s duties on an interim basis until an appropriate replacement has been identified.

8. On this news the Company’s shares fell \$2.72 per share, or 7%, to close on March 31, 2015 at \$33.67 per share on unusually high volume.

9. On April 17, 2015, after the market closed, Iconix announced that the Company's Chief Operating Officer ("COO") Seth Horowitz ("Horowitz") had resigned after serving for approximately one year. The Company stated that it did not intend to name a new COO.

10. On April 20, 2015, Roth Capital Partners, published an Equity Research Note (the "Note"), entitled, "ICON: COO Departure Creates Greater Uncertainty; Lowering Target To \$36." The Note revealed the accounting irregularities with free-cash flow accounting, organic growth, and gains on Licensing Fees, stating in relevant part, "[n]ews of the COO's resignation is likely to weigh on shares near-term, particularly following the CFO's recent departure as well as uncertainties surrounding the company's prior reporting of free cash flow and practice of booking joint venture gains as revenue." The Note further stated that, "This announcement [of the COO departure] follows the March 30 resignation of chief financial officer, Jeff Lupinacci, who will pursue another business opportunity. While not necessarily connected, Lupinacci's departure came after uncertainties surrounding the company's reporting of free cash flow."

11. On this news, shares of Iconix declined \$6.62 per share, over 20%, to close on April 20, 2015, at \$25.41 per share, on unusually heavy volume.

12. Throughout the Class Period, Defendants made false and/or misleading statements, as well as failed to disclose material adverse facts about the Company's business, operations, and prospects. Specifically, Defendants made false and/or misleading statements and/or failed to disclose: (1) that the Company had underreported the cost basis of its brands; (2) that the Company engaged in irregular accounting practices related to the booking of its joint venture revenues and profits, free-cash flow, and organic growth; (3) that, as a result, the Company's earnings and revenues were overstated; and (4) that, as a result of the foregoing,

Defendants' statements about Iconix's business, operations, and prospects, were false and misleading and/or lacked a reasonable basis.

13. As a result of Defendants' wrongful acts and omissions, and the precipitous decline in the market value of the Company's securities, Plaintiff and other Class members have suffered significant losses and damages.

JURISDICTION AND VENUE

14. The claims asserted herein arise under Sections 10(b) and 20(a) of the Exchange Act (15 U.S.C. §§78j(b) and 78t(a)) and Rule 10b-5 promulgated thereunder by the SEC (17 C.F.R. § 240.10b-5).

15. This Court has jurisdiction over the subject matter of this action pursuant to 28 U.S.C. §1331 and Section 27 of the Exchange Act (15 U.S.C. §78aa).

16. Venue is proper in this Judicial District pursuant to 28 U.S.C. §1391(b) and Section 27 of the Exchange Act (15 U.S.C. §78aa(c)). Substantial acts in furtherance of the alleged fraud or the effects of the fraud have occurred in this Judicial District. Many of the acts charged herein, including the preparation and dissemination of materially false and/or misleading information, occurred in substantial part in this Judicial District. Additionally, Iconix's principal executive offices are located within this Judicial District.

17. In connection with the acts, transactions, and conduct alleged herein, Defendants directly and indirectly used the means and instrumentalities of interstate commerce, including the United States mail, interstate telephone communications, and the facilities of a national securities exchange.

PARTIES

18. Plaintiff Gene Niksich, as set forth in the accompanying certification, incorporated by reference herein, purchased Iconix common stock during the Class Period, and suffered damages as a result of the federal securities law violations and false and/or misleading statements and/or material omissions alleged herein.

19. Defendant Iconix is a Delaware corporation with its principal executive offices located at 1450 Broadway, New York, New York 10018.

20. Defendant Neil Cole was, at all relevant times, CEO and a director of Iconix.

21. Defendant Warren Clamen (“Clamen”) was CFO of Iconix until March 18, 2014.

22. Defendant Jeff Lupinacci was CFO of Iconix from April 7, 2014 through March 30, 2015.

23. Defendants Cole, Clamen, and Lupinacci are collectively referred to hereinafter as the “Individual Defendants.” The Individual Defendants, because of their positions with the Company, possessed the power and authority to control the contents of Iconix’s reports to the SEC, press releases and presentations to securities analysts, money and portfolio managers and institutional investors, *i.e.*, the market. Each defendant was provided with copies of the Company’s reports and press releases alleged herein to be misleading prior to, or shortly after, their issuance and had the ability and opportunity to prevent their issuance or cause them to be corrected. Because of their positions and access to material non-public information available to them, each of these defendants knew that the adverse facts specified herein had not been disclosed to, and were being concealed from, the public, and that the positive representations which were being made were then materially false and/or misleading. The Individual

Defendants are liable for the false statements pleaded herein, as those statements were each “group-published” information, the result of the collective actions of the Individual Defendants.

SUBSTANTIVE ALLEGATIONS

Background

24. Iconix is a brand management company and owner of a diversified portfolio global consumer brands across women’s, men’s, entertainment and home. The Company’s purported business strategy is to maximize the value of its brands primarily through strategic licenses and joint venture partnerships around the world, as well as to grow the portfolio of brands through strategic acquisitions.

Materially False and Misleading Statements Issued During the Class Period

25. The Class Period begins on February 20, 2013. On this day, Iconix issued a press release entitled, “Iconix Brand Group Reports Revenue and Earnings for the Fourth Quarter and Full Year 2012.” Therein, the Company, in relevant part, stated:

- *Q4 and FY 2012 revenue of \$85.1 million and \$353.8 million, respectively*
- *Q4 and FY 2012 non-GAAP diluted EPS of \$0.41 and \$1.70, respectively*
- *2012 free cash flow of \$180.5 million*
- *Acquires Lee Cooper, iconic global lifestyle brand with over 100-year heritage*
- *Announces new \$300 million share repurchase program*

Iconix Brand Group, Inc. (NASDAQ: ICON) (“Iconix” or the “Company”), today announced financial results for the fourth quarter and year ended December 31, 2012.

Q4 2012 results for Iconix Brand Group, Inc.:

Total revenue for the fourth quarter of 2012 was approximately \$85.1 million, as compared to approximately \$95.5 million in the fourth quarter of 2011. EBITDA attributable to Iconix for the fourth quarter was approximately \$50.0 million, as compared to approximately \$57.3 million in the prior year quarter. *Free cash flow attributable to Iconix for the fourth quarter was approximately \$37.9 million, as compared to approximately \$41.9 million in the prior year quarter. On a non-*

GAAP basis, as defined in the tables below, net income attributable to Iconix for the fourth quarter was approximately \$28.9 million, as compared to approximately \$31.3 million in the prior year quarter. Non-GAAP diluted EPS for the fourth quarter was \$0.41 compared to \$0.41 in the prior year quarter. GAAP net income attributable to Iconix for the fourth quarter was approximately \$26.1 million, as compared to approximately \$27.2 million in the prior year quarter and GAAP diluted EPS was \$0.37 compared to \$0.36 in the prior year quarter.

Full Year 2012 results for Iconix Brand Group, Inc.:

Total revenue for the full year 2012 was approximately \$353.8 million, as compared to approximately \$369.8 million for the prior year. EBITDA attributable to Iconix for 2012 was approximately \$217.0 million as compared to approximately \$229.6 million in the prior year. *Free cash flow attributable to Iconix for 2012 was approximately \$180.5 million as compared to \$179.2 million for the prior year. On a non-GAAP basis, as defined in the tables below, net income attributable to Iconix for 2012 was approximately \$122.0 million as compared to approximately \$127.4 million in the prior year and non-GAAP diluted earnings per share for 2012 was approximately \$1.70 versus \$1.69 for the prior year. On a GAAP basis, net income attributable to Iconix for 2012 was approximately \$109.4 million as compared to \$126.1 million in the prior year and GAAP diluted earnings per share was \$1.52 versus \$1.67 for the prior year.*

EBITDA, free cash flow, non-GAAP net income and non-GAAP EPS are all non-GAAP metrics and reconciliation tables to the respective GAAP measures are attached to this press release.

Neil Cole, Chairman and CEO of Iconix Brand Group, Inc. commented, "Over the past year we have executed on several exciting initiatives that position our company for significant growth. We acquired three iconic brands, continued to expand our global footprint, signed a Peanuts movie deal and launched a new \$1.1 billion securitization facility. Looking to 2013 and beyond, with our powerful portfolio of over 30 brands that are well diversified across numerous industries and geographies along with our strong balance sheet and financial flexibility, we look forward to delivering continued growth and value to our shareholders."

2013 Guidance for Iconix Brand Group, Inc.:

To reflect the Company's acquisition of Lee Cooper, the Company is raising its 2013 guidance as follows;

- The Company is raising its revenue guidance to \$425-\$435 million from \$415-\$425 million
- The Company is raising its non-GAAP diluted EPS guidance to \$2.05-\$2.15 from \$2.00-\$2.10

- The Company is raising its 2013 GAAP diluted EPS guidance to \$1.95-\$2.05 from \$1.90-\$2.00
- The Company is raising its 2013 free cash flow guidance to \$203-\$210 million from \$196-\$203 million.

This guidance relates to the Company's existing portfolio of brands and does not include any additional acquisitions.

Other Company News:

The Company announced today that it acquired the Lee Cooper brand. Lee Cooper is an iconic global lifestyle brand with over a 100-year heritage. See separate press release for additional details.

The Company also announced today that its Board of Directors has authorized a program to repurchase up to \$300 million of its common stock. See separate press release for additional details.

(Emphasis added.)

26. On February 28, 2013, Iconix filed its Annual Report with the SEC on Form 10-K for the 2012 fiscal year. The Company's Form 10-K was signed by Defendants Cole and Clamen, and reaffirmed the Company's statements previously announced on February 20, 2013. The Form 10-K contained certifications pursuant to the Sarbanes-Oxley Act of 2002 ("SOX"), signed by defendants Cole and Clamen, who certified the following:

1. I have reviewed this Annual Report on Form 10-K for the period ended December 31, 2012 of Iconix Brand Group, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as

defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

- a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
- b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
- c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and;
- d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter
(the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

- a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
- b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

27. On April 24, 2013 Iconix issued a press release entitled, “Iconix Brand Group Reports Record Revenue and Earnings for the First Quarter 2013.” Therein, the Company, in relevant part, stated:

- *Record Q1 revenue of \$105.1 million, a 19% increase over prior year quarter*
- *Record Q1 non-GAAP diluted EPS of \$0.54, a 26% increase over prior year quarter*
- *Record Q1 free cash flow of \$51.8 million and EBITDA of \$64.6 million*
- *Raising 2013 non-GAAP diluted EPS guidance to \$2.10-\$2.20*

Iconix Brand Group, Inc. (NASDAQ: ICON) (“Iconix” or the “Company”), today announced financial results for the first quarter ended March 31, 2013.

Q1 2013 Results for Iconix Brand Group, Inc.:

Total revenue for the first quarter of 2013 was approximately \$105.1 million, a 19% increase as compared to approximately \$88.5 million in the first quarter of 2012. EBITDA attributable to Iconix for the first quarter was approximately \$64.6 million, a 14% increase as compared to \$56.8 million in the prior year quarter. ***Free cash flow attributable to Iconix for the first quarter was approximately \$51.8 million, a 9% increase as compared to the prior year quarter of approximately \$47.4 million.*** On a non-GAAP basis, as described in the tables below, net income attributable to Iconix was \$36.2 million, a 13% increase as compared to the prior year quarter of approximately \$31.9 million. Non-GAAP diluted EPS for the first quarter of 2013 increased 26% to \$0.54 compared to \$0.43 in the prior year quarter. GAAP net income attributable to Iconix for the first quarter of 2013 was approximately \$34.2 million, a 24% increase as compared to \$27.6 million in the prior year quarter and GAAP diluted EPS for the first quarter of 2013 increased 38% to \$0.51 compared to \$0.37 in the prior year quarter.

EBITDA, free cash flow, non-GAAP net income and non-GAAP diluted EPS are all non-GAAP metrics and reconciliation tables for each are attached to this press release.

Neil Cole, Chairman and CEO of Iconix Brand Group, Inc. commented, "With record results in the first quarter, 2013 is off to a strong start and we are on track to deliver over 20% revenue and EPS growth for the full year. We successfully completed three acquisitions in the past five months and with our current pipeline we believe there are additional opportunities, which would continue to enhance our portfolio. ***As we look ahead, we are also focused on continuing to build our portfolio of brands organically through our global platform, and we believe that***

with our free cash flow and strong balance sheet we will continue to create increased shareholder value."

2013 Guidance for Iconix Brand Group, Inc.:

- The Company is maintaining its 2013 revenue guidance of \$425-\$435 million
- The Company is raising its 2013 non-GAAP diluted EPS guidance to \$2.10-\$2.20 from \$2.05-\$2.15
- The Company is revising its 2013 GAAP diluted EPS guidance to \$1.87-\$1.97 from \$1.95-\$2.05
- The Company is maintaining its free cash flow guidance of \$203-\$210 million.

(Emphasis added.)

28. On May 7, 2013, Iconix filed its Quarterly Report with the SEC on Form 10-Q for the 2013 fiscal first quarter. The Company's Form 10-Q was signed by Defendants Cole and Clamen, and reaffirmed the Company's statements previously announced on April 24, 2013. The Form 10-Q contained certifications pursuant to SOX, signed by Defendants Cole and Clamen and substantially similar to the certification described in ¶26, *supra*.

29. On July 24, 2013, Iconix issued a press release entitled, "Iconix Brand Group Reports Record Revenue And Earnings For The Second Quarter 2013." Therein, the Company, in relevant part, stated:

- *Record Q2 revenue of \$115.1 million vs. \$93.6 million in prior year quarter, a 23% increase*
- *Record Q2 non-GAAP diluted EPS of \$0.72 vs. \$0.45 in prior year quarter, a 60% increase*
- *Further expanding international footprint with formation of Canada JV*
- *Announcing new \$300 million share repurchase program*
- *Raising 2013 non-GAAP diluted EPS guidance to \$2.20-\$2.30*

Iconix Brand Group, Inc. (NASDAQ: ICON) ("Iconix" or the "Company"), today announced financial results for the second quarter ended June 30, 2013.

Q2 2013 Results for Iconix Brand Group, Inc.:

Total revenue for the second quarter of 2013 was approximately \$115.1 million, a 23% increase as compared to approximately \$93.6 million in the second quarter of 2012. EBITDA attributable to Iconix for the second quarter was approximately \$72.7 million, a 24% increase as compared to \$58.4 million in the prior year quarter. Free cash flow attributable to Iconix for the second quarter was approximately \$60.8 million, a 17% increase as compared to the prior year quarter of approximately \$51.9 million. On a non-GAAP basis, as defined in the tables below, net income attributable to Iconix was \$42.7 million, a 32% increase as compared to the prior year quarter of approximately \$32.4 million. Non-GAAP diluted EPS for the second quarter of 2013 increased 60% to \$0.72 compared to \$0.45 in the prior year quarter. GAAP net income attributable to Iconix for the second quarter of 2013 was approximately \$38.7 million, a 35% increase as compared to \$28.6 million in the prior year quarter and GAAP diluted EPS for the second quarter of 2013 increased 65% to \$0.66 compared to \$0.40 in the prior year quarter.

Six months ended June 30, 2013:

Total revenue for the six months ended June 30, 2013 was approximately \$220.2 million, a 21% increase as compared to approximately \$182.1 million for the prior year period. EBITDA attributable to Iconix for the six month period was approximately \$137.2 million, a 19% increase as compared to approximately \$115.2 million in the prior year period. Free cash flow attributable to Iconix for the six month period was approximately \$112.7 million, a 13% increase over the prior year period of approximately \$99.4 million. On a non-GAAP basis, as defined in the tables below, net income attributable to Iconix for the six month period was approximately \$78.9 million, a 23% increase as compared to approximately \$64.4 million in the prior year period, and non-GAAP diluted earnings per share was approximately \$1.25 for the six month period, a 42% increase versus \$0.88 for the prior year period. GAAP net income attributable to Iconix for the six month period of 2013 was approximately \$72.9 million, a 30% increase as compared to \$56.2 million in the prior year period and GAAP diluted EPS for the six month period of 2013 increased 53% to \$1.16 compared to \$0.76 in the prior year period.

Included in the second quarter and year-to-date results ended June 30, 2013, is the formation of a new joint venture in Canada, which contributed approximately \$9.8 million to revenue. Similarly, the second quarter of 2012 included the formation of a joint venture in India, which contributed approximately \$5.6 million to revenue in the prior year quarter. In addition, in the second quarter of 2013, the Company received \$5.4 million in cash related to its previously written-off auction rate securities, which is included in interest and other expenses, net. On a full year basis, this will be offset by incremental interest expense of

approximately \$7 million related to the \$275 million securitization transaction the Company completed in the second quarter of 2013.

EBITDA, free cash flow, non-GAAP net income and non-GAAP diluted EPS are all non-GAAP metrics and reconciliation tables for each are attached to this press release.

Neil Cole, Chairman and CEO of Iconix Brand Group, Inc. commented, "With record performance in the second quarter, we made progress on our growth initiatives driving over 20% revenue growth and 60% EPS growth. ***We believe the performance we have achieved year-to-date and over the past several years demonstrates the power of our business model, and over the next few years we expect to see additional growth as we continue to build our existing brands around the world and further leverage our strong balance sheet and free cash flow to add iconic brands to our portfolio and continue to enhance shareholder value through opportunistic share repurchases.***"

2013 Guidance for Iconix Brand Group, Inc.:

- The Company is maintaining its 2013 revenue guidance of \$425-\$435 million
- The Company is raising its 2013 non-GAAP diluted EPS guidance to \$2.20-\$2.30 from \$2.10-\$2.20
- The Company is raising its 2013 GAAP diluted EPS guidance to \$1.97-\$2.07 from \$1.87-\$1.97
- The Company is maintaining its free cash flow guidance of \$203-\$210 million.

(Emphasis added.)

30. On August 9, 2013, Iconix filed its Quarterly Report with the SEC on Form 10-Q for the 2013 fiscal second quarter. The Company's Form 10-Q was signed by Defendants Cole and Clamen, and reaffirmed the Company's statements previously announced on July 24, 2013. The Form 10-Q contained certifications pursuant to SOX, signed by Defendants Cole and Clamen and substantially similar to the certification described in ¶26, *supra*.

31. On October 29, 2013, Iconix issued a press release entitled, "Iconix Brand Group Reports Record Revenue And Earnings For The Third Quarter 2013." Therein, the Company, in relevant part, stated:

- *Record Q3 revenue of \$107.2 million vs. \$86.6 million in prior year quarter, a 24% increase*
- *Record Q3 non-GAAP diluted EPS of \$0.59 vs. \$0.41 in prior year quarter, a 44% increase*
- *Raising 2013 non-GAAP diluted EPS guidance to \$2.30-\$2.40*
- *Initiating 2014 revenue guidance of \$440-\$455 million*
- *Initiating 2014 non GAAP diluted EPS guidance of \$2.50-\$2.60*

Iconix Brand Group, Inc. (NASDAQ: ICON) (“Iconix” or the “Company”), today announced financial results for the third quarter ended September 30, 2013.

Q3 2013 Results for Iconix Brand Group, Inc.:

Total revenue for the third quarter of 2013 was approximately \$107.2 million, a 24% increase as compared to approximately \$86.6 million in the third quarter of 2012. EBITDA attributable to Iconix for the third quarter was approximately \$65.6 million, a 27% increase as compared to \$51.8 million in the prior year quarter. Free cash flow attributable to Iconix for the third quarter was approximately \$54.3 million, a 26% increase as compared to the prior year quarter of approximately \$43.2 million. On a non-GAAP basis, as defined in the tables below, net income attributable to Iconix was \$33.1 million, a 15% increase as compared to the prior year quarter of approximately \$28.7 million. Non-GAAP diluted EPS for the third quarter of 2013 increased approximately 44% to \$0.59 compared to \$0.41 in the prior year quarter. GAAP net income attributable to Iconix for the third quarter of 2013 was approximately \$29.0 million, a 7% increase as compared to \$27.1 million in the prior year quarter and GAAP diluted EPS for the third quarter of 2013 increased 32% to \$0.50 compared to \$0.38 in the prior year quarter.

Nine months ended September 30, 2013:

Total revenue for the nine months ended September 30, 2013 was approximately \$327.4 million, a 22% increase as compared to approximately \$268.7 million for the prior year period. EBITDA attributable to Iconix for the nine month period was approximately \$202.8 million, a 21% increase as compared to approximately \$167.0 million in the prior year period. Free cash flow attributable to Iconix for the nine month period was approximately \$167.0 million, a 17% increase over the prior year period of approximately \$142.6 million. On a non-GAAP basis, as defined in the tables below, net income attributable to Iconix for the nine month period was approximately \$112.0 million, a 20% increase as compared to approximately \$93.1 million in the prior year period, and non-GAAP diluted earnings per share increased approximately 45% to \$1.85 versus \$1.28 for the prior year period. GAAP net income attributable to Iconix for the nine month period of 2013 was approximately \$101.9 million, a 22% increase as compared to \$83.3 million in the prior year period and GAAP diluted EPS for the nine month period of 2013 increased 45% to \$1.67 compared to \$1.15 in the prior year period.

Included in the third quarter and year-to-date results, is the formation of a new joint venture in Australia, which contributed approximately \$5 million to revenue.

EBITDA, free cash flow, non-GAAP net income and non-GAAP diluted shares and EPS are all non-GAAP metrics and reconciliation tables for each are attached to this press release.

Neil Cole, Chairman and CEO of Iconix Brand Group, Inc. commented, "We believe the performance we have achieved year to date, with over 20% revenue growth and over 40% EPS growth, demonstrates the power of our business model and the strength of our portfolio. Looking ahead into 2014 and beyond, we expect to continue to deliver strong growth through both organic initiatives as well as acquisitions, as we continue to build our global footprint and further leverage our strong balance sheet. In addition, we plan to continue to balance acquisitions with share repurchases, as we have successfully done over the past two years, in which we bought back 32% of our shares outstanding."

2013 Guidance for Iconix Brand Group, Inc.:

- The Company is maintaining its 2013 revenue guidance of \$425-\$435 million
- The Company is raising its 2013 non-GAAP diluted EPS guidance to \$2.30-\$2.40 from \$2.20-\$2.30
- The Company is raising its 2013 GAAP diluted EPS guidance to \$2.06-\$2.16 from \$1.97-\$2.07
- The Company is maintaining its free cash flow guidance of \$203-\$210 million

This guidance relates to the Company's existing portfolio of brands and does not include any additional acquisitions. In addition, this guidance does not assume any dilution from our convertible notes.

2014 Guidance for Iconix Brand Group, Inc.:

The Company is initiating the following guidance for 2014:

- 2014 revenue guidance of \$440-\$455 million
- 2014 non-GAAP diluted EPS guidance of \$2.50-2.60
- 2014 GAAP diluted EPS guidance of \$2.19-\$2.29
- 2014 free cash flow guidance of \$210-\$217 million

32. On November 6, 2013, Iconix filed its Quarterly Report with the SEC on Form 10-Q for the 2013 fiscal third quarter. The Company's Form 10-Q was signed by Defendants Cole and Clamen, and reaffirmed the Company's statements previously announced on October

29, 2013. The Form 10-Q contained certifications pursuant to SOX, signed by Defendants Cole and Clamen and substantially similar to the certification described in ¶26, *supra*.

33. On February 20, 2014, Iconix issued a press release entitled, “Iconix Brand Group Reports Record Revenue And Earnings For The Fourth Quarter And Full Year 2013.” Therein, the Company, in relevant part, stated:

- *Record Q4 revenue of \$105.3 million, a 24% increase over prior year quarter*
- *Record Q4 non-GAAP diluted EPS of \$0.54, a 32% increase over prior year quarter*
- *Record Q4 free cash flow of \$62.9 million, a 66% increase over prior year quarter*
- *Record 2013 revenue of \$432.6 million, a 22% increase over prior year*
- *Record 2013 non-GAAP diluted EPS of \$2.39, a 41% increase over prior year*
- *Record 2013 free cash flow of \$229.9 million, a 27% increase over prior year*
- *2013 share repurchases of \$436 million, or 24% of shares outstanding*
- *Announcing new \$500 million share repurchase program*

Iconix Brand Group, Inc. (NASDAQ: ICON) (“Iconix” or the “Company”), today announced financial results for the fourth quarter and year ended December 31, 2013.

Q4 2013 Results for Iconix Brand Group, Inc.:

Total revenue for the fourth quarter of 2013 was approximately \$105.3 million, a 24% increase as compared to approximately \$85.1 million in the fourth quarter of 2012. EBITDA attributable to Iconix for the fourth quarter was approximately \$60.1 million, a 20% increase as compared to \$50.0 million in the prior year quarter. Free cash flow attributable to Iconix for the fourth quarter was approximately \$62.9 million, a 66% increase as compared to the prior year quarter of approximately \$37.9 million. On a non-GAAP basis, as defined in the tables below, net income attributable to Iconix was \$30.2 million, a 5% increase as compared to the prior year quarter of approximately \$28.9 million. Non-GAAP diluted EPS for the fourth quarter of 2013 increased 32% to \$0.54 compared to \$0.41 in the prior year quarter. GAAP net income attributable to Iconix for the fourth quarter of 2013 was approximately \$26.1 million compared to \$26.1 million in the prior year quarter and GAAP diluted EPS for the fourth quarter of 2013 increased 19% to \$0.44 compared to \$0.37 in the prior year quarter.

Full Year 2013 Results for Iconix Brand Group, Inc.:

Total revenue for the full year 2013 was approximately \$432.6 million, a 22% increase as compared to approximately \$353.8 million for the prior year. EBITDA attributable to Iconix for 2013 was approximately \$262.9 million, a 21% increase as compared to approximately \$217.0 million in the prior year. Free cash flow attributable to Iconix for 2013 was approximately \$229.9 million, a 27% increase over the prior year of approximately \$180.5 million. On a non-GAAP basis, as defined in the tables below, net income attributable to Iconix for 2013 was approximately \$142.2 million, a 17% increase as compared to approximately \$122.0 million in the prior year, and non-GAAP diluted earnings per share increased 41% to \$2.39 versus \$1.70 for the prior year. GAAP net income attributable to Iconix for 2013 was approximately \$128.0 million, a 17% increase as compared to \$109.4 million in the prior year and GAAP diluted EPS for 2013 increased 39% to \$2.11 compared to \$1.52 in the prior year.

EBITDA, free cash flow, non-GAAP net income and non-GAAP diluted EPS are all non-GAAP metrics and reconciliation tables for each are attached to this press release.

Neil Cole, Chairman and CEO of Iconix Brand Group, Inc. commented, "Since converting to a licensing model in 2005, we have built a powerful global platform, delivering compounded annual growth of around 40% for both revenue and EPS. In 2013, we had another record year and continued to drive growth through the expansion of our worldwide footprint, our acquisition strategy of asset light businesses and global brands, and our ongoing commitment to share repurchases. Looking ahead, as we continue to focus on international markets and additional acquisitions, I believe we can build on our success and continue to deliver increased value to our shareholders."

2014 Guidance for Iconix Brand Group, Inc.:

The Company is maintaining its full year 2014 guidance as follows:

- Revenue of \$440-\$455 million
- Non-GAAP diluted EPS of \$2.50-\$2.60
- GAAP diluted EPS of \$2.19-\$2.29
- Free cash flow of \$210-\$217 million.

This guidance relates to the Company's existing portfolio of brands and does not include any additional acquisitions. In addition, this guidance does not assume any additional share repurchases or dilution from the Company's convertible notes above the current stock price.

Other Company News:

The Company announced today that its Board of Directors has authorized a program to repurchase up to \$500 million of its common stock. See separate press release for additional details.

34. On February 27, 2014, Iconix filed its Annual Report with the SEC on Form 10-K for the 2013 fiscal year. The Company's Form 10-K was signed by Defendants Cole and Clamen, and reaffirmed the Company's statements previously announced on February 20, 2014. The Form 10-K contained certifications pursuant to SOX, signed by Defendants Cole and Clamen and substantially similar to the certification described in ¶26, *supra*.

35. On April 30, 2014, Iconix issued a press release entitled, "Iconix Brand Group Reports Record Revenue And Earnings For The First Quarter 2014." Therein, the Company, in relevant part, stated:

- *Record Q1 revenue of \$116.1 million, an 11% increase over prior year quarter*
- *Record Q1 non-GAAP diluted EPS of \$0.72, a 33% increase over prior year quarter*
- *Record Q1 GAAP diluted EPS of \$1.03, a 101% increase over prior year quarter*
- *Record Q1 free cash flow of \$58.0 million, a 12% increase over prior year quarter*
- *Raising 2014 revenue guidance to \$450-\$460 million*
- *Raising 2014 non-GAAP diluted EPS guidance to \$2.55-\$2.65*

Iconix Brand Group, Inc. (NASDAQ: ICON) ("Iconix" or the "Company"), today announced financial results for the first quarter ended March 31, 2014.

Q1 2014 Results for Iconix Brand Group, Inc.:

Total revenue for the first quarter of 2014 was approximately \$116.1 million, an 11% increase as compared to approximately \$105.1 million in the first quarter of 2013. EBITDA attributable to Iconix for the first quarter was approximately \$69.8 million, an 8% increase as compared to \$64.6 million in the prior year quarter. *Free cash flow attributable to Iconix for the first quarter was approximately \$58.0 million, a 12% increase as compared to the prior year quarter of approximately \$51.8 million. On a non-GAAP basis, as described in the tables below, net income attributable to Iconix was \$39.3 million, an 8% increase as*

compared to the prior year quarter of approximately \$36.2 million. Non-GAAP diluted EPS for the first quarter of 2014 increased 33% to \$0.72 compared to \$0.54 in the prior year quarter. GAAP net income attributable to Iconix for the first quarter of 2014 was approximately \$59.8 million, a 75% increase as compared to \$34.2 million in the prior year quarter, and GAAP diluted EPS for the first quarter of 2014 increased approximately 101% to \$1.03 compared to \$0.51 in the prior year quarter.

GAAP net income in the first quarter of 2014 includes a non-cash gain of approximately \$38 million before taxes related to the re-measurement of the Company's initial investment in Iconix Latin America in conjunction with its acquisition of the remaining 50% from its joint venture partner.

EBITDA, free cash flow, non-GAAP net income and non-GAAP diluted EPS are all non-GAAP metrics and reconciliation tables for each are attached to this press release.

Neil Cole, Chairman and CEO of Iconix Brand Group, Inc. commented, "With record results in the first quarter, 2014 is off to a strong start. Through our diversified portfolio of brands and expanding global footprint we continued to achieve strong growth. As we look ahead, we believe we can continue to deliver significant value to our Company and shareholders through a combination of organic growth driven by international expansion and Peanuts initiatives, as well as, additional acquisitions of global iconic brands."

2014 Guidance for Iconix Brand Group, Inc.:

The Company is raising its 2014 guidance as follows:

- Increasing 2014 revenue guidance to \$450-\$460 million from \$440-\$455 million
- Increasing 2014 Non-GAAP diluted EPS guidance to \$2.55-\$2.65 from \$2.50-\$2.60
- Increasing 2014 GAAP diluted EPS guidance to \$2.50-\$2.60 from \$2.19-\$2.29
- Increasing 2014 free cash flow guidance to \$213-\$220 million from \$210-\$217 million

(Emphasis added.)

36. On May 9, 2014, Iconix filed its Quarterly Report with the SEC on Form 10-Q for the 2014 fiscal first quarter. The Company's Form 10-Q was signed by Defendants Cole and Lupinacci, and reaffirmed the Company's statements previously announced on April 30, 2014.

The Form 10-Q contained certifications pursuant to SOX, signed by Defendants Cole and Lupinacci and substantially similar to the certification described in ¶26, *supra*.

37. On July 29, 2014, Iconix issued a press release entitled, “Iconix Brand Group Reports Record Revenue And Earnings For The Second Quarter 2014.” Therein, the Company, in relevant part, stated:

- *Record Q2 revenue of \$118.9 million and non-GAAP diluted EPS of \$0.75*
- *Record Q2 EBITDA of \$78.2 million and Q2 EBITDA margin of 66%*
- *Free cash flow of \$60.0 million for Q2 and \$118.0 million for six month period*
- *Raising 2014 revenue guidance to \$455-\$465 million and non-GAAP diluted EPS guidance to \$2.60-\$2.70*

Iconix Brand Group, Inc. (NASDAQ: ICON) (“Iconix” or the “Company”), today announced financial results for the second quarter ended June 30, 2014.

Q2 2014 Results for Iconix Brand Group, Inc.:

Total revenue for the second quarter of 2014 was approximately \$118.9 million, a 3% increase as compared to approximately \$115.1 million in the second quarter of 2013. EBITDA attributable to Iconix for the second quarter was approximately \$78.2 million, an 8% increase as compared to \$72.7 million in the prior year quarter. Free cash flow attributable to Iconix for the second quarter was approximately \$60.0 million, as compared to the prior year quarter of approximately \$60.8 million. On a non-GAAP basis, as described in the tables below, net income attributable to Iconix was \$39.6 million, as compared to the prior year quarter of approximately \$42.7 million. Non-GAAP diluted EPS for the second quarter of 2014 increased 4% to \$0.75 compared to \$0.72 in the prior year quarter. GAAP net income attributable to Iconix for the second quarter of 2014 was approximately \$35.3 million, as compared to \$38.7 million in the prior year quarter, and GAAP diluted EPS for the second quarter of 2014 was \$0.60 compared to \$0.66 in the prior year quarter.

Six months ended June 30, 2014:

Total revenue for the six months ended June 30, 2014 was approximately \$235.1 million, a 7% increase as compared to approximately \$220.2 million for the prior year period. EBITDA attributable to Iconix for the six month period was approximately \$147.9 million, an 8% increase as compared to approximately \$137.2 million in the prior year period. Free cash flow attributable to Iconix for the six month period was approximately \$118.0 million, a 5% increase over the prior year period of approximately \$112.7 million. On a non-GAAP basis, as

defined in the tables below, net income attributable to Iconix for the six month period was approximately \$78.9 million, compared to approximately \$78.9 million in the prior year period, and non-GAAP diluted earnings per share was approximately \$1.49 for the six month period, a 19% increase versus \$1.25 for the prior year period. GAAP net income attributable to Iconix for the six month period of 2014 was approximately \$95.1 million, a 30% increase as compared to \$72.9 million in the prior year period and GAAP diluted EPS for the six month period of 2014 increased 41% to \$1.63 compared to \$1.16 in the prior year period.

EBITDA, free cash flow, non-GAAP net income and non-GAAP diluted EPS are all non-GAAP metrics and reconciliation tables for each are attached to this press release.

Neil Cole, Chairman and CEO of Iconix Brand Group, Inc. commented, "With record results in the second quarter, we continue to demonstrate the power of our business model with our diversified revenue stream and strong free cash flow. As we look to the future we believe we can continue to deliver significant growth and increased value for our Company and shareholders through our global expansion plans, worldwide Peanuts business and additional acquisitions of global iconic brands.

2014 Guidance for Iconix Brand Group, Inc.:

- Raising revenue guidance to \$455-\$465 million from \$450-\$460 million
- Raising non-GAAP diluted EPS guidance to \$2.60-\$2.70 from \$2.55-\$2.65
- Maintaining GAAP diluted EPS guidance of \$2.50-\$2.60
- Raising free cash flow guidance to \$215-\$222 million from \$213-\$220 million

38. On August 6, 2014, Iconix filed its Quarterly Report with the SEC on Form 10-Q for the 2014 fiscal second quarter. The Company's Form 10-Q was signed by Defendants Cole and Lupinacci, and reaffirmed the Company's statements previously announced on July 29, 2014. The Form 10-Q contained certifications pursuant to SOX, signed by Defendants Cole and Lupinacci and substantially similar to the certification described in ¶26, *supra*.

39. On October 28, 2014, Iconix issued a press release entitled, "Iconix Brand Group Reports Record Revenue And Earnings For The Third Quarter 2014." Therein, the Company, in relevant part, stated:

- *Record Q3 diluted non-GAAP EPS of \$0.73, a 23% increase over prior year quarter*
- *Record Q3 revenue of \$113.8 million, a 6% increase over prior year quarter*
- *Raising 2014 diluted non-GAAP EPS guidance to \$2.72-\$2.77*
- *Providing 2015 revenue guidance of \$485-\$500 million*
- *Providing 2015 diluted non GAAP EPS guidance of \$2.90-\$3.10*

Iconix Brand Group, Inc. (NASDAQ: ICON) (“Iconix” or the “Company”), today announced financial results for the third quarter ended September 30, 2014.

Q3 2014 Results for Iconix Brand Group, Inc.:

Total revenue for the third quarter of 2014 was approximately \$113.8 million, a 6% increase as compared to approximately \$107.2 million in the third quarter of 2013. On a non-GAAP basis, as described in the tables below, net income attributable to Iconix was \$38.3 million, a 16% increase as compared to the prior year quarter of approximately \$33.1 million. Non-GAAP diluted EPS for the third quarter of 2014 increased 23% to \$0.73 compared to \$0.59 in the prior year quarter. GAAP net income attributable to Iconix for the third quarter of 2014 was approximately \$33.8 million, a 16% increase as compared to \$29.0 million in the prior year quarter, and GAAP diluted EPS for the third quarter of 2014 was \$0.58, a 15% increase compared to \$0.50 in the prior year quarter. Free cash flow attributable to Iconix for the third quarter was approximately \$61.8 million, a 14% increase as compared to the prior year quarter of approximately \$54.3 million. EBITDA attributable to Iconix for the third quarter was approximately \$65.5 million, as compared to approximately \$65.6 million in the prior year quarter.

Nine months ended September 30, 2014:

Total revenue for the nine months ended September 30, 2014 was approximately \$348.8 million, a 7% increase as compared to approximately \$327.4 million for the prior year period. On a non-GAAP basis, as defined in the tables below, net income attributable to Iconix for the nine month period was approximately \$117.2 million, a 5% increase as compared to approximately \$112.0 million in the prior year period, and non-GAAP diluted earnings per share was approximately \$2.22 for the nine month period, a 20% increase versus \$1.85 for the prior year period. GAAP net income attributable to Iconix for the nine month period of 2014 was approximately \$128.9 million, a 26% increase as compared to \$101.9 million in the prior year period, and GAAP diluted EPS for the nine month period of 2014 increased 33% to \$2.21 compared to \$1.67 in the prior year period. Free cash flow attributable to Iconix for the nine month period was approximately \$179.8 million, an 8% increase over the prior year period of approximately \$167.0 million. EBITDA attributable to Iconix for the nine month period was approximately \$213.4 million, a 5% increase as compared to approximately \$202.8 million in the prior year period.

EBITDA, free cash flow, non-GAAP net income and non-GAAP diluted EPS are all non-GAAP metrics and reconciliation tables for each are attached to this press release.

Neil Cole, Chairman and CEO of Iconix Brand Group, Inc. commented, "Our strong third quarter and year to date results reflect the continued strength of our overall portfolio and the power of our business model. With solid brand performance domestically supported by large direct-to-retail licenses, and double digit growth around the world driven by our global brands and joint ventures, we continue to execute in line with our successful track record. As we look to 2015, we expect to continue to drive positive organic growth, and with our strong balance sheet we plan to deliver additional value as we execute on our acquisition strategy and continue to opportunistically repurchase stock."

2014 Guidance for Iconix Brand Group, Inc.:

- Maintaining 2014 revenue guidance of \$455-\$465 million
- Raising 2014 non-GAAP diluted EPS guidance to \$2.72-\$2.77 from \$2.60-\$2.70
- Raising 2014 GAAP diluted EPS guidance to \$2.61-\$2.65 from \$2.50-\$2.60
- Maintaining 2014 free cash flow guidance of \$215-\$222 million

This guidance relates to the Company's existing portfolio of brands and does not include any additional acquisitions.

2015 Guidance for Iconix Brand Group, Inc.:

The Company is initiating the following guidance for 2015

- 2015 revenue guidance of \$485-\$500 million
- 2015 non-GAAP diluted EPS guidance of \$2.90-\$3.10
- 2015 GAAP diluted EPS guidance of \$2.82-\$3.00
- 2015 free cash flow guidance of \$220-230 million

40. On November 7, 2014, Iconix filed its Quarterly Report with the SEC on Form 10-Q for the 2014 fiscal third quarter. The Company's Form 10-Q was signed by Defendants Cole and Lupinacci, and reaffirmed the Company's statements previously announced on October 28, 2014. The Form 10-Q contained certifications pursuant to SOX, signed by Defendants Cole and Lupinacci and substantially similar to the certification described in ¶26, *supra*.

41. On February 26, 2015, Iconix issued a press release entitled, "Iconix Brand Group Reports Record Revenue And Earnings For The Fourth Quarter And Full Year 2014." Therein, the Company, in relevant part, stated:

- *2014 revenue of \$461.2 million, a 7% increase over prior year*
- *2014 diluted non GAAP EPS of \$2.78, a 16% increase over prior year*
- *Q4 total revenue of \$112.4 million, a 7% increase over prior year quarter*
- *Q4 diluted non GAAP EPS of \$0.56, a 4% increase over prior year*
- *2014 share repurchases of approximately \$193 million or 5.0 million shares*

Iconix Brand Group, Inc. (NASDAQ: ICON) ("Iconix" or the "Company"), today announced financial results for the fourth quarter and year ended December 31, 2014.

In connection with the Company's evolving business model, financial reporting includes a more detailed breakdown of revenue and a new presentation of free cash flow.

Full Year 2014 Results for Iconix Brand Group, Inc.:

Total revenue for the full year 2014 was approximately \$461.2 million, a 7% increase as compared to approximately \$432.6 million for the prior year. Licensing revenue for 2014 was approximately \$406.9 million, a 2% increase as compared to approximately \$398.0 million in the prior year. Other revenue for 2014 was approximately \$54.3 million, a 57% increase as compared to approximately \$34.6 million in the prior year. On a non-GAAP basis, as defined in the tables below, net income attributable to Iconix for 2014 was approximately \$145.5 million, a 2% increase as compared to approximately \$142.2 million in the prior year, and non-GAAP diluted earnings per share was approximately \$2.78 for 2014, a 16% increase versus \$2.39 for the prior year. GAAP net income attributable to Iconix for 2014 was approximately \$152.7 million, a 19% increase as compared to \$128.0 million in the prior year, and GAAP diluted EPS for 2014 increased 26% to \$2.66 as compared to \$2.11 in the prior year. EBITDA attributable to Iconix for 2014 was approximately \$263.8 million, as compared to approximately \$262.9 million in the prior year. Free cash flow attributable to Iconix, as redefined in the tables below, was approximately \$174.3 million for 2014, a 26% decrease as compared to approximately \$235.5 million in the prior year. In connection with the formation of joint ventures and sale of certain trademarks the Company generated approximately \$51.2 million of notes receivable in 2014 as compared to approximately \$15.8 million in 2013.

Q4 2014 Results for Iconix Brand Group, Inc.:

Total revenue for the fourth quarter of 2014 was approximately \$112.4 million, a 7% increase as compared to approximately \$105.3 million in the fourth quarter of 2013. Licensing revenue increased 16% to approximately \$102.2 million as compared to approximately \$88.3 million in the prior year quarter. Other revenue was \$10.3 million in the fourth quarter compared to \$17.0 million in the prior year quarter. On a non-GAAP basis, as described in the tables below, net income attributable to Iconix was \$28.3 million, a 6% decrease as compared to the prior year quarter of approximately \$30.2 million. Non-GAAP diluted EPS for the fourth quarter of 2014 increased 4% to \$0.56 as compared to \$0.54 in the prior year quarter. GAAP net income attributable to Iconix for the fourth quarter of 2014 was approximately \$23.9 million, a 9% decrease as compared to \$26.1 million in the prior year quarter, and GAAP diluted EPS for the fourth quarter of 2014 was \$0.44, as compared to \$0.44 in the prior year quarter. EBITDA attributable to Iconix for the fourth quarter was approximately \$50.4 million, a 16% decrease as compared to approximately \$60.1 million in the prior year quarter. Free cash flow attributable to Iconix, as redefined in the tables below, for the fourth quarter was approximately \$46.3 million, a 19% decrease as compared to the prior year quarter of approximately \$57.4 million.

EBITDA, free cash flow, non-GAAP net income and non-GAAP diluted EPS are all non-GAAP metrics. Definitions along with reconciliation tables for, each are attached to this press release.

Neil Cole, Chairman and CEO of Iconix Brand Group, Inc. commented, "We are pleased with our performance in 2014 and are enthusiastic about our growing global brand management platform, which today includes a diversified portfolio of over 35 brands across women's, men's, home and entertainment. In 2015, we expect to achieve strong top and bottom line growth driven by steady expansion in our domestic licensing business, rapid growth in our international business both inside our joint ventures and across the territories that we control, the excitement surrounding our upcoming Peanuts movie and the benefits of our recently announced Strawberry Shortcake and PONY transactions."

2015 Guidance for Iconix Brand Group, Inc.:

- Raising 2015 revenue guidance to \$490-\$510 million from \$485-\$500 million
- Raising 2015 non-GAAP diluted EPS guidance to \$3.00-\$3.15 from \$2.90-\$3.10
- Raising 2015 GAAP diluted EPS guidance to \$3.06-\$3.20 from \$2.82-\$3.00
- Establishing new 2015 free cash flow calculation and guidance of \$208-\$218 million

42. On March 2, 2015, Iconix filed its Annual Report with the SEC on Form 10-K for the 2014 fiscal year. The Company's Form 10-K was signed by Defendants Cole and Lupinacci, and reaffirmed the Company's statements previously announced on February 26, 2015. The Form 10-K contained certifications pursuant to SOX, signed by Defendants Cole and Lupinacci and substantially similar to the certification described in ¶26, *supra*.

43. The statements contained in ¶¶25-42 were materially false and/or misleading when made because defendants failed to disclose or indicate the following: (1) that the Company underreported the cost basis of its brands; (2) that the Company engaged in irregular accounting practices related to the booking of its joint venture revenues and profits; free-cash flow; and, organic growth; (3) that, as a result, the Company's earnings and revenues were overstated; and (4) that, as a result of the foregoing, Defendants' statements about Iconix's business, operations, and prospects, were false and misleading and/or lacked a reasonable basis..

Disclosures at the End of the Class Period

44. On March 30, 2015, the Company announced, after the close of the trading session that its CFO, Jeff Lupinacci, had resigned effective March 30, 2015. Therein, the Company, in relevant part, stated:

On March 24, 2015, Jeff Lupinacci, the Chief Financial Officer of Iconix Brand Group, Inc. (the "Company") notified the Company of his intention to resign, with 60 days' notice, to pursue another business opportunity. The Company has determined to make such resignation effective March 30, 2015. The Company has commenced a search for Mr. Lupinacci's replacement and anticipates filling the position in the near term. Mr. David Blumberg, the Company's current Executive Vice President – Head of Strategic Development, will assume Mr. Lupinacci's duties on an interim basis until an appropriate replacement has been identified.

45. On this news the Company's shares fell \$2.72 per share, or 7%, to close on March 31, 2015, at \$33.67 per share, on unusually high volume.

46. On April 17, 2015, after the market closed, Iconix filed a Current Report with the SEC on Form 8-K. Therein, the Company, in relevant part, stated:

Seth Horowitz, Chief Operating Officer (“COO”) of Iconix Brand Group, Inc. (the “Company”), tendered his resignation on April 13, 2015. Mr. Horowitz served as COO for approximately one year. The Company does not intend to seek a new COO at this time. Mr. Horowitz’s responsibilities are now being assumed by the broader Iconix team.

47. On April 20, 2015, Roth Capital Partners, published the Note that, in relevant part, stated:

News of the Coos resignation is likely to weigh on shares near-term, particularly following the CFO’s recent departure as well as uncertainties surrounding the company’s prior reporting of free cash flow and practice of booking joint venture gains as revenue.

* * *

“Increasing Uncertainty. This announcement follows the March 30 resignation of chief financial officer, Jeff Lupinacci, who will pursue another business opportunity. While not necessarily connected, Lupinacci’s departure came after uncertainties surrounding the company’s reporting of free cash flow.

48. On this news, shares of Iconix declined \$6.62 per share, over 20%, to close on April 20, 2015, at \$25.41 per share, on unusually heavy volume.

CLASS ACTION ALLEGATIONS

49. Plaintiff brings this action as a class action pursuant to Federal Rule of Civil Procedure 23(a) and (b)(3) on behalf of a class, consisting of all those who purchased Iconix’s securities between February 20, 2013 and April 17, 2015, inclusive (the “Class Period”) and who were damaged thereby (the “Class”). Excluded from the Class are Defendants, the officers and directors of the Company, at all relevant times, members of their immediate families and their legal representatives, heirs, successors or assigns and any entity in which Defendants have or had a controlling interest.

50. The members of the Class are so numerous that joinder of all members is impracticable. Throughout the Class Period, Iconix's securities were actively traded on the Nasdaq Stock Market (the "NASDAQ"). While the exact number of Class members is unknown to Plaintiff at this time and can only be ascertained through appropriate discovery, Plaintiff believes that there are hundreds or thousands of members in the proposed Class. Millions of Iconix shares were traded publicly during the Class Period on the NASDAQ. As of February 24, 2015, Iconix had 47,863,080 shares of common stock outstanding. Record owners and other members of the Class may be identified from records maintained by Iconix or its transfer agent and may be notified of the pendency of this action by mail, using the form of notice similar to that customarily used in securities class actions.

51. Plaintiff's claims are typical of the claims of the members of the Class as all members of the Class are similarly affected by Defendants' wrongful conduct in violation of federal law that is complained of herein.

52. Plaintiff will fairly and adequately protect the interests of the members of the Class and has retained counsel competent and experienced in class and securities litigation.

53. Common questions of law and fact exist as to all members of the Class and predominate over any questions solely affecting individual members of the Class. Among the questions of law and fact common to the Class are:

(a) whether the federal securities laws were violated by Defendants' acts as alleged herein;

(b) whether statements made by Defendants to the investing public during the Class Period omitted and/or misrepresented material facts about the business, operations, and prospects of Iconix; and

(c) to what extent the members of the Class have sustained damages and the proper measure of damages.

54. A class action is superior to all other available methods for the fair and efficient adjudication of this controversy since joinder of all members is impracticable. Furthermore, as the damages suffered by individual Class members may be relatively small, the expense and burden of individual litigation makes it impossible for members of the Class to individually redress the wrongs done to them. There will be no difficulty in the management of this action as a class action.

UNDISCLOSED ADVERSE FACTS

55. The market for Iconix's securities was open, well-developed and efficient at all relevant times. As a result of these materially false and/or misleading statements, and/or failures to disclose, Iconix's securities traded at artificially inflated prices during the Class Period. Plaintiff and other members of the Class purchased or otherwise acquired Iconix's securities relying upon the integrity of the market price of the Company's securities and market information relating to Iconix, and have been damaged thereby.

56. During the Class Period, Defendants materially misled the investing public, thereby inflating the price of Iconix's securities, by publicly issuing false and/or misleading statements and/or omitting to disclose material facts necessary to make Defendants' statements, as set forth herein, not false and/or misleading. Said statements and omissions were materially false and/or misleading in that they failed to disclose material adverse information and/or misrepresented the truth about Iconix's business, operations, and prospects as alleged herein.

57. At all relevant times, the material misrepresentations and omissions particularized in this Complaint directly or proximately caused or were a substantial contributing cause of the

damages sustained by Plaintiff and other members of the Class. As described herein, during the Class Period, Defendants made or caused to be made a series of materially false and/or misleading statements about Iconix's financial well-being and prospects. These material misstatements and/or omissions had the cause and effect of creating in the market an unrealistically positive assessment of the Company and its financial well-being and prospects, thus causing the Company's securities to be overvalued and artificially inflated at all relevant times. Defendants' materially false and/or misleading statements during the Class Period resulted in Plaintiff and other members of the Class purchasing the Company's securities at artificially inflated prices, thus causing the damages complained of herein.

LOSS CAUSATION

58. Defendants' wrongful conduct, as alleged herein, directly and proximately caused the economic loss suffered by Plaintiff and the Class.

59. During the Class Period, Plaintiff and the Class purchased Iconix's securities at artificially inflated prices and were damaged thereby. The price of the Company's securities significantly declined when the misrepresentations made to the market, and/or the information alleged herein to have been concealed from the market, and/or the effects thereof, were revealed, causing investors' losses.

SCIENTER ALLEGATIONS

60. As alleged herein, Defendants acted with scienter in that Defendants knew that the public documents and statements issued or disseminated in the name of the Company were materially false and/or misleading; knew that such statements or documents would be issued or disseminated to the investing public; and knowingly and substantially participated or acquiesced in the issuance or dissemination of such statements or documents as primary violations of the

federal securities laws. As set forth elsewhere herein in detail, Defendants, by virtue of their receipt of information reflecting the true facts regarding Iconix, his/her control over, and/or receipt and/or modification of Iconix's allegedly materially misleading misstatements and/or their associations with the Company which made them privy to confidential proprietary information concerning Iconix, participated in the fraudulent scheme alleged herein.

**APPLICABILITY OF PRESUMPTION OF RELIANCE
(FRAUD-ON-THE-MARKET DOCTRINE)**

61. The market for Iconix's securities was open, well-developed and efficient at all relevant times. As a result of the materially false and/or misleading statements and/or failures to disclose, Iconix's securities traded at artificially inflated prices during the Class Period. On June 9, 2014, the Company's stock closed at a Class Period high of \$44.22 per share. Plaintiff and other members of the Class purchased or otherwise acquired the Company's securities relying upon the integrity of the market price of Iconix's securities and market information relating to Iconix, and have been damaged thereby.

62. During the Class Period, the artificial inflation of Iconix's stock was caused by the material misrepresentations and/or omissions particularized in this Complaint causing the damages sustained by Plaintiff and other members of the Class. As described herein, during the Class Period, Defendants made or caused to be made a series of materially false and/or misleading statements about Iconix's business, prospects, and operations. These material misstatements and/or omissions created an unrealistically positive assessment of Iconix and its business, operations, and prospects, thus causing the price of the Company's securities to be artificially inflated at all relevant times, and when disclosed, negatively affected the value of the Company stock. Defendants' materially false and/or misleading statements during the Class

Period resulted in Plaintiff and other members of the Class purchasing the Company's securities at such artificially inflated prices, and each of them has been damaged as a result.

63. At all relevant times, the market for Iconix's securities was an efficient market for the following reasons, among others:

(a) Iconix stock met the requirements for listing, and was listed and actively traded on the NASDAQ, a highly efficient and automated market;

(b) As a regulated issuer, Iconix filed periodic public reports with the SEC and/or the NASDAQ;

(c) Iconix regularly communicated with public investors *via* established market communication mechanisms, including through regular dissemination of press releases on the national circuits of major newswire services and through other wide-ranging public disclosures, such as communications with the financial press and other similar reporting services; and/or

(d) Iconix was followed by securities analysts employed by brokerage firms who wrote reports about the Company, and these reports were distributed to the sales force and certain customers of their respective brokerage firms. Each of these reports was publicly available and entered the public marketplace.

64. As a result of the foregoing, the market for Iconix's securities promptly digested current information regarding Iconix from all publicly available sources and reflected such information in Iconix's stock price. Under these circumstances, all purchasers of Iconix's securities during the Class Period suffered similar injury through their purchase of Iconix's securities at artificially inflated prices and a presumption of reliance applies.

NO SAFE HARBOR

65. The statutory safe harbor provided for forward-looking statements under certain circumstances does not apply to any of the allegedly false statements pleaded in this Complaint. The statements alleged to be false and misleading herein all relate to then-existing facts and conditions. In addition, to the extent certain of the statements alleged to be false may be characterized as forward looking, they were not identified as “forward-looking statements” when made and there were no meaningful cautionary statements identifying important factors that could cause actual results to differ materially from those in the purportedly forward-looking statements. In the alternative, to the extent that the statutory safe harbor is determined to apply to any forward-looking statements pleaded herein, Defendants are liable for those false forward-looking statements because at the time each of those forward-looking statements was made, the speaker had actual knowledge that the forward-looking statement was materially false or misleading, and/or the forward-looking statement was authorized or approved by an executive officer of Iconix who knew that the statement was false when made.

FIRST CLAIM
Violation of Section 10(b) of
The Exchange Act and Rule 10b-5
Promulgated Thereunder Against All Defendants

66. Plaintiff repeats and realleges each and every allegation contained above as if fully set forth herein.

67. During the Class Period, Defendants carried out a plan, scheme and course of conduct which was intended to and, throughout the Class Period, did: (i) deceive the investing public, including Plaintiff and other Class members, as alleged herein; and (ii) cause Plaintiff and other members of the Class to purchase Iconix’s securities at artificially inflated prices. In

furtherance of this unlawful scheme, plan and course of conduct, defendants, and each of them, took the actions set forth herein.

68. Defendants (i) employed devices, schemes, and artifices to defraud; (ii) made untrue statements of material fact and/or omitted to state material facts necessary to make the statements not misleading; and (iii) engaged in acts, practices, and a course of business which operated as a fraud and deceit upon the purchasers of the Company's securities in an effort to maintain artificially high market prices for Iconix's securities in violation of Section 10(b) of the Exchange Act and Rule 10b-5. All Defendants are sued either as primary participants in the wrongful and illegal conduct charged herein or as controlling persons as alleged below.

69. Defendants, individually and in concert, directly and indirectly, by the use, means or instrumentalities of interstate commerce and/or of the mails, engaged and participated in a continuous course of conduct to conceal adverse material information about Iconix's financial well-being and prospects, as specified herein.

70. These defendants employed devices, schemes and artifices to defraud, while in possession of material adverse non-public information and engaged in acts, practices, and a course of conduct as alleged herein in an effort to assure investors of Iconix's value and performance and continued substantial growth, which included the making of, or the participation in the making of, untrue statements of material facts and/or omitting to state material facts necessary in order to make the statements made about Iconix and its business operations and future prospects in light of the circumstances under which they were made, not misleading, as set forth more particularly herein, and engaged in transactions, practices and a course of business which operated as a fraud and deceit upon the purchasers of the Company's securities during the Class Period.

71. Each of the Individual Defendants' primary liability, and controlling person liability, arises from the following facts: (i) the Individual Defendants were high-level executives and/or directors at the Company during the Class Period and members of the Company's management team or had control thereof; (ii) each of these defendants, by virtue of their responsibilities and activities as a senior officer and/or director of the Company, was privy to and participated in the creation, development and reporting of the Company's internal budgets, plans, projections and/or reports; (iii) each of these defendants enjoyed significant personal contact and familiarity with the other defendants and was advised of, and had access to, other members of the Company's management team, internal reports and other data and information about the Company's finances, operations, and sales at all relevant times; and (iv) each of these defendants was aware of the Company's dissemination of information to the investing public which they knew and/or recklessly disregarded was materially false and misleading.

72. The defendants had actual knowledge of the misrepresentations and/or omissions of material facts set forth herein, or acted with reckless disregard for the truth in that they failed to ascertain and to disclose such facts, even though such facts were available to them. Such defendants' material misrepresentations and/or omissions were done knowingly or recklessly and for the purpose and effect of concealing Iconix's financial well-being and prospects from the investing public and supporting the artificially inflated price of its securities. As demonstrated by Defendants' overstatements and/or misstatements of the Company's business, operations, financial well-being, and prospects throughout the Class Period, Defendants, if they did not have actual knowledge of the misrepresentations and/or omissions alleged, were reckless in failing to obtain such knowledge by deliberately refraining from taking those steps necessary to discover whether those statements were false or misleading.

73. As a result of the dissemination of the materially false and/or misleading information and/or failure to disclose material facts, as set forth above, the market price of Iconix's securities was artificially inflated during the Class Period. In ignorance of the fact that market prices of the Company's securities were artificially inflated, and relying directly or indirectly on the false and misleading statements made by Defendants, or upon the integrity of the market in which the securities trades, and/or in the absence of material adverse information that was known to or recklessly disregarded by Defendants, but not disclosed in public statements by Defendants during the Class Period, Plaintiff and the other members of the Class acquired Iconix's securities during the Class Period at artificially high prices and were damaged thereby.

74. At the time of said misrepresentations and/or omissions, Plaintiff and other members of the Class were ignorant of their falsity, and believed them to be true. Had Plaintiff and the other members of the Class and the marketplace known the truth regarding the problems that Iconix was experiencing, which were not disclosed by Defendants, Plaintiff and other members of the Class would not have purchased or otherwise acquired their Iconix securities, or, if they had acquired such securities during the Class Period, they would not have done so at the artificially inflated prices which they paid.

75. By virtue of the foregoing, Defendants have violated Section 10(b) of the Exchange Act and Rule 10b-5 promulgated thereunder.

76. As a direct and proximate result of Defendants' wrongful conduct, Plaintiff and the other members of the Class suffered damages in connection with their respective purchases and sales of the Company's securities during the Class Period.

SECOND CLAIM
Violation of Section 20(a) of
The Exchange Act Against the Individual Defendants

77. Plaintiff repeats and realleges each and every allegation contained above as if fully set forth herein.

78. The Individual Defendants acted as controlling persons of Iconix within the meaning of Section 20(a) of the Exchange Act as alleged herein. By virtue of their high-level positions, and their ownership and contractual rights, participation in and/or awareness of the Company's operations and/or intimate knowledge of the false financial statements filed by the Company with the SEC and disseminated to the investing public, the Individual Defendants had the power to influence and control and did influence and control, directly or indirectly, the decision-making of the Company, including the content and dissemination of the various statements which Plaintiff contends are false and misleading. The Individual Defendants were provided with or had unlimited access to copies of the Company's reports, press releases, public filings and other statements alleged by Plaintiff to be misleading prior to and/or shortly after these statements were issued and had the ability to prevent the issuance of the statements or cause the statements to be corrected.

79. In particular, each of these Defendants had direct and supervisory involvement in the day-to-day operations of the Company and, therefore, is presumed to have had the power to control or influence the particular transactions giving rise to the securities violations as alleged herein, and exercised the same.

80. As set forth above, Iconix and the Individual Defendants each violated Section 10(b) and Rule 10b-5 by their acts and/or omissions as alleged in this Complaint. By virtue of their positions as controlling persons, the Individual Defendants are liable pursuant to Section 20(a) of the Exchange Act. As a direct and proximate result of Defendants' wrongful conduct,

Plaintiff and other members of the Class suffered damages in connection with their purchases of the Company's securities during the Class Period.

PRAYER FOR RELIEF

WHEREFORE, Plaintiff prays for relief and judgment, as follows:

- (a) Determining that this action is a proper class action under Rule 23 of the Federal Rules of Civil Procedure;
- (b) Awarding compensatory damages in favor of Plaintiff and the other Class members against all defendants, jointly and severally, for all damages sustained as a result of Defendants' wrongdoing, in an amount to be proven at trial, including interest thereon;
- (c) Awarding Plaintiff and the Class their reasonable costs and expenses incurred in this action, including counsel fees and expert fees; and
- (d) Such other and further relief as the Court may deem just and proper.

JURY TRIAL DEMANDED

Plaintiff hereby demands a trial by jury.

Dated: June 23, 2015

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Attorneys for Plaintiff Gene Niksich

SWORN CERTIFICATION OF PLAINTIFF

Iconix Brand Group, Inc., **SECURITIES LITIGATION**

I, Gene Niksich, certify:

1. I have reviewed the complaint and authorized its filing.
2. I did not purchase Iconix Brand Group, Inc., the security that is the subject of this action at the direction of plaintiff's counsel or in order to participate in any private action arising under this title.
3. I am willing to serve as a representative party on behalf of a class and will testify at deposition and trial, if necessary.
4. My transactions in Iconix Brand Group, Inc., during the class period set forth in the Complaint are as follows:

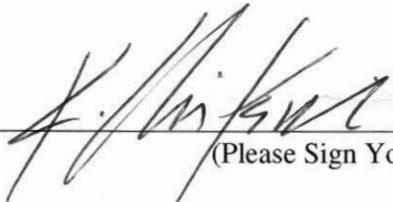
See Attached Transactions

5. I have not served as a representative party on behalf of a class under this title during the last three years except as stated:
6. I will not accept any payment for serving as a representative party, except to receive my pro rata share of any recovery or as ordered or approved by the court including the award to a representative plaintiff of reasonable costs and expenses (including lost wages) directly relating to the representation of the class.

☐ Check here if you are a current employee or former employee of the defendant Company.

I declare under penalty of perjury that the foregoing are true and correct statements.

Dated: 4-27-15


(Please Sign Your Name Above)

**Gene Niksich's Transactions in
Iconix Brand Group, Inc (ICON)**

Date	Transaction Type	Shares	Price Bought
9/5/2014	Bought	5,000	\$41.2500